

The City Council of the City of Newton held a regular meeting at 7:30 PM on Tuesday, January 6, 2004 at City Hall with the following present: Mayor Robert Mullinax, Council Members Wayne Dellinger, Al Gaither, Tom Dixon, Tom Rowe, Anne Stedman, City Manager Edward Burchins, City Attorney Larry Pitts, Assistant City Manager Glenn Pattishall and City Clerk Rita Williams. Council Member Roy Johnson was absent.

ITEM 1 - CALL TO ORDER.

Mayor Mullinax called the meeting to order.

ITEM 2 - OPENING.

Mayor Mullinax welcomed citizens in the audience and introduced Rev. Dan Martin, Pastor of First United Methodist Church, who gave the invocation. Mayor Mullinax led the Pledge of Allegiance.

ITEM 3 - APPROVAL OF MINUTES OF DECEMBER 10, 2003 REGULAR MEETING.

A motion was made by Council Member Rowe, seconded by Council Member Gaither, and unanimously adopted that the minutes of the December 10, 2003 regular meeting be approved as submitted.

RECOGNITION OF PLANNER ALEX FULBRIGHT FOR OBTAINMENT OF AICP (AMERICAN INSTITUTE OF CERTIFIED PLANNERS) CERTIFICATION.

Mayor Mullinax and Assistant City Manager Glenn Pattishall recognized Planner Alex Fulbright for obtainment of his ACIP (American Institute of Certified Planners) Certification. They thanked him for his hard work and commitment in achieving his certification.

ITEM 4 - ADMINISTER OATH OF OFFICE TO NEW COUNCIL MEMBER ANNE P. STEDMAN.

City Clerk Williams administered the oath of office to Council Member Anne P. Stedman.

ITEM 5 - CONSIDERATION OF APPROVAL OF CONSENT AGENDA ITEMS.

A motion was made by Council Member Dellinger, seconded by Council Member Rowe, and unanimously adopted that the following item on the Consent Agenda be approved:

A. Sewer charge adjustments.

Magda Reid	\$406.52
Renee McCorkle	\$265.21

ITEM 6 - OLD BUSINESS:

A. Consideration of acceptance of N. C. Parks & Recreation Trust Fund grant.

Mayor Mullinax reported that several years ago, the Council developed a Master Recreation Plan and part of that plan was development of a proposed Jacobs Fork Park. Approximately 18 months ago, the staff prepared a grant application and the City was notified that the City received the grant. He said it was now time for the Council to consider whether or not to accept the grant.

Recreation Director Sandra Waters reported that Phase I will include the construction of 3 softball fields, 2 soccer fields, restroom facilities, a graveled access road, parking lot and canoe launch. She said the grant total is \$250,000 and the City's match will be \$344,550. The period covered by this agreement is December 1, 2003 to December 31, 2005. The City will receive the grant funds upon receipt of a signed agreement.

After Council discussion on where the City will fund its share of the costs, City Manager Burchins recommended the grant be accepted and the staff will come back with funding alternatives at a later meeting for the Council's consideration.

A motion was made by Council Member Gaither, seconded by Council Member Dixon, and unanimously adopted that the grant be accepted.

ITEM 7 - NEW BUSINESS:

A. Consideration of appointment to Planning Commission.

Mayor Mullinax reported that there was a vacancy on the Planning Commission due to the election of Mr. Tom Dixon to City Council and he recommended Kenneth Simmons be appointed to fill the vacancy and the Council concurred.

B. Discussion regarding the Generator Direct Mail Brochure.

City Manager Burchins reported that several years ago, the City initiated a program to place generators at its largest industrial facilities to help with peak shaving costs while providing standby generation to keep industries' power going during storms. He said the City has also used generation for industrial recruitment and he asked Assistant City Manager Pattishall to review the Generator Direct Mail Brochure.

Mr. Pattishall reviewed the brochure and stated that it indicated to prospective generation user customers that if they are a company with a minimum demand of 500 kw which requires uninterrupted power, the City of Newton will provide them a generator free of charge. The brochure further states that the City has developed a standby and peak shaving program for large power customers to help them take advantage of never having their power supply interrupted.

Mr. Pattishall stated the next brochure will be a testimonial from a generator customer to be followed by a third brochure about the proposed prime power project.

Mayor Mullinax stated that the City is trying to make Newton as unique as possible to help bring in industry and jobs to our area.

C. Consideration of fees for use of the City of Newton's fitness room.

Recreation Director Sandra Waters reported that approval was granted in the 2002-2003 budget to retrofit the current employee fitness room for the purpose of providing the general public with a fitness facility. Ms. Waters stated that the room is complete and that the staff surveyed other cities and agencies Newton's size to determine fees to be charged and suggestions on the operation of the fitness room. She stated that the staff has developed a fee schedule for use of the fitness room and recommended it be adopted. She suggested the hours for use of the facility would be determined by how much it is used by the public.

After Council discussion on the fees and proposed hours of operation, a motion was made by Council Member Rowe, seconded by Council Member Dixon, and unanimously adopted that the fee schedule be adopted as proposed.

ITEM 8 - CITY MANAGER'S REPORT.

A. Confirmation of dates (January 29, 30, 2004, times and location for City Council work shop.

City Manager Burchins reported that he wanted to confirm the dates for the City Council annual work shop and stated it is being planned for January 29, 30, 2004 and will last approximately a day and a half. He stated Mayor Mullinax has offered his office for the work shop. The Council concurred that the work shop will be held on Thursday, January 29th beginning at 8:30 AM and ending approximately 4:00 4-30 PM and on Friday, January 30th beginning at 8:30 AM and ending approximately noon and that it be held at the office of Mullinax and Williams at 22 S. Main Street in Newton (third floor) with the public being invited to attend.

Mr. Burchins stated that rebates for the current fiscal year were delivered to Tier 1 and Tier 2 electric customers before Christmas . He said many industries wanted their rebates before the end of the year.

Assistant City Manager Pattishall reported that the customer retention program began in Agency 1 in 1995/96 after the agency settled a lawsuit with Duke Power in what was known as the "B-factor" settlement. The settlement allowed the agency to sell excess energy to anyone, not just Duke. As part of the settlement, the agency received around \$100 million to be used for customer retention. This pool of money was used to provide discounts to the Tier 1 (industrial customers whose monthly demand is between 500 KW and 1000 KW) and Tier 11 customers (industrial customers whose monthly demand is 500 KW or more). These two groups of customers receive discounts off of their annual bills. He said these discounts are approved on an annual basis by the Electricities Board of Directors and are not guaranteed beyond this year.

Mr. Pattishall also gave a report on the implementation of a "Key Accounts" Program where significant commercial and industrial customers will be visited by City personnel. He said Newton has been a key participant in this program development and the Key Accounts Program is being formalized with the 19 Agency #1 cities.

ITEM 9 - QUESTIONS FROM MAYOR AND COUNCIL. NONE

Council Member Dixon questioned the days for the Council meeting schedule and Mayor Mullinax stated that the meeting schedule would be a matter of discussion at the Council's annual work shop.

ITEM 10 - CLOSED SESSION TO DISCUSS LOCATION/EXPANSION OF BUSINESS OR INDUSTRY (G.S. 143-318.11(a)).

Mayor Mullinax stated the Council needed to have a Closed Session to discuss location/expansion of business or industry.

A motion was made by Council Member Gaither, seconded by Council Member Rowe, and unanimously adopted that the Council go into Closed Session.

After the Closed Session, Mayor Mullinax stated there was no action to be taken at this time on the matters discussed.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Robert A. Mullinax, Mayor

Rita K. Williams, City Clerk